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SEC - 1347  
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20 February 1961

MEMORANDUM FOR : Chief, Development Branch, OPR-JO/P

SUBJECT : Pilot Payments on Special Air Force Programs

1. A limited investigation was made to determine whether or not additional compensation can be made to Air Force pilots flying special missions of extra hazardous nature. Previous experience and precedence has been established in the X-1, X-2, and X-15 flight test programs.

2. There are no provisions for providing an Air Force pilot on active duty with any additional compensation, be it pay, benefits, and/or insurance. Just the opposite is true; there are laws which prohibit such compensation. However, there is no restriction against an individual or company taking out insurance on an individual pilot and naming any selected beneficiary. This is not only true for pilots, but applies to any person in any walk of life. The cost of such premium payments must be borne by the individual and cannot be made an item of any Government contract.

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3. There are, however, standard methods for including the insurance premiums of company test pilots in the Government contract. Such a procedure is established in AEC. For the two North American Aviation pilots in the X-15 program, the insurance program paid by the Air Force was as follows:

A. Period of coverage was from 1 March 1959 to 1 March 1961.

B. Premiums were \$100 per flight with minimum policies as described by categories.

1. Category A: Minimum premium of \$5,000 for each pilot for flights under 100,000 feet and speeds less than Mach 2.0.

2. Category B: Minimum premium of \$7,500 for each pilot for flights under 200,000 feet and speeds less than Mach 4.0.

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3. Category C: Minimum premium of \$10,000 for each pilot for flights over 200,000 feet and speeds exceeding Mach 4.0.

6. The coverage for each pilot was for \$50,000. This coverage included both death and dismemberment clauses.

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